

AMENDED IN ASSEMBLY AUGUST 13, 2008

SENATE BILL

No. 580

Introduced by Senator ~~Wiggins~~ Calderon

February 22, 2007

~~An act to amend Section 22857 of the Government Code, relating to public employees' health benefits.~~ *An act to amend Sections 21200 and 21200.1 of the Financial Code, relating to pawnbrokers.*

LEGISLATIVE COUNSEL'S DIGEST

SB 580, as amended, ~~Wiggins~~ Calderon. ~~Public employees' health benefits. Pawnbrokers.~~

Existing law authorizes a pawnbroker to charge or receive compensation at a rate not exceeding specified amounts based upon the unpaid principal balance of the loan, but at least \$1 per month. Existing law also limits the loan setup fees a pawnbroker may charge. A knowing violation of the laws regulating pawnbrokers is a crime.

This bill would increase that minimum charge to \$3 per month. The bill would also prohibit the loan setup fee from exceeding \$5 or 2%, whichever is greater, for each loan and from exceeding \$10.

Because a knowing violation of this bill's provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~The Public Employees' Medical and Hospital Care Act authorizes the Board of Administration of the Public Employees' Retirement~~

~~System to contract with carriers licensed and doing business in other states to provide health benefits for employees and annuitants who reside outside this state, as specified.~~

~~This bill would authorize the Board of Administration of the Public Employees' Retirement System to contract with out-of-state public employee pension and health systems to provide health care benefits to California employees and annuitants who reside outside this state, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 21200 of the Financial Code is amended*
2 *to read:*

3 21200. (a) Except as otherwise provided in this chapter, no
4 pawnbroker shall charge or receive compensation at a rate
5 exceeding the sum of the following:

6 (1) Two and one-half percent (~~2 ½ %~~) per month on that portion
7 of the unpaid principal balance of any loan up to, including, but
8 not in excess of two hundred twenty-five dollars (\$225).

9 (2) Two percent (~~2 %~~) per month on that portion of the unpaid
10 principal balance of the loan in excess of two hundred twenty-five
11 dollars (\$225) up to, including, but not exceeding nine hundred
12 dollars (\$900).

13 (3) One and one-half percent (~~1 ½ %~~) per month on that part of
14 the unpaid principal balance in excess of nine hundred dollars
15 (\$900) up to and including, but not in excess of, one thousand six
16 hundred fifty dollars (\$1,650).

17 (4) One percent (~~1 %~~) per month on any remainder of ~~such the~~
18 unpaid principal balance in excess of one thousand six hundred
19 fifty dollars (\$1,650).

20 (5) A charge not exceeding ~~one dollar (\$1)~~ *three dollars (\$3)* a
21 month on any loan when the monthly charge permitted by this
22 section would otherwise be less than ~~such that~~ minimum charge.

23 (b) One month's interest may be charged for any part of the
24 month in which pawned property is redeemed.

25 *SEC. 2. Section 21200.1 of the Financial Code is amended to*
26 *read:*

1 21200.1. A loan setup fee not to exceed ~~three dollars (\$3)~~ may
2 ~~be charged for each loan up to and including fifty dollars (\$50).~~
3 ~~A loan setup fee of five dollars (\$5) or 2 percent, whichever is~~
4 ~~greater, may be charged for loans in excess of fifty dollars (\$50)~~
5 ~~each loan. However, the maximum loan setup fee shall not exceed~~
6 ~~ten dollars (\$10).~~ Loan setup fees are in addition to any other
7 allowed charges.

8 *SEC. 3. No reimbursement is required by this act pursuant to*
9 *Section 6 of Article XIII B of the California Constitution because*
10 *the only costs that may be incurred by a local agency or school*
11 *district will be incurred because this act creates a new crime or*
12 *infraction, eliminates a crime or infraction, or changes the penalty*
13 *for a crime or infraction, within the meaning of Section 17556 of*
14 *the Government Code, or changes the definition of a crime within*
15 *the meaning of Section 6 of Article XIII B of the California*
16 *Constitution.*

17 ~~SECTION 1. Section 22857 of the Government Code is~~
18 ~~amended to read:~~

19 ~~22857. (a) Notwithstanding any other provision of law, the~~
20 ~~board may contract with carriers licensed and doing business in~~
21 ~~other states to provide health benefits for employees and annuitants~~
22 ~~who reside outside this state. The contracts shall be on terms as~~
23 ~~the board deems necessary or desirable. The health benefit plans~~
24 ~~are not necessarily required to meet the minimum requirements of~~
25 ~~the board, as specified in board regulations, but shall provide~~
26 ~~appropriate safeguards for members.~~

27 ~~(b) An out-of-state employee may enter into a group health~~
28 ~~benefit plan provided by an out-of-state health maintenance~~
29 ~~organization, group insurance policy, group service agreement,~~
30 ~~membership or subscription contract, or other similar group~~
31 ~~arrangement provided by a carrier for the purpose of providing,~~
32 ~~arranging, paying for, or reimbursing the cost of health benefits~~
33 ~~and that is in operation in the community or area where the~~
34 ~~employee's duties are usually performed. These contracts, plans,~~
35 ~~agreements, arrangements, or policies shall meet with the approval~~
36 ~~of, or meet standards approved by, the board.~~

37 ~~(c) The board may contract with out-of-state public employee~~
38 ~~pension and health systems to provide health care benefits to~~
39 ~~California employees and annuitants who reside outside this state.~~

- 1 ~~The contracts shall be on terms as the board deems necessary or~~
- 2 ~~desirable.~~

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